



ICQ

ICQ chose Ness Technologies' testing subsidiary V-Ness as exclusive QA outsourcer



Orey Gilliam
CEO, ICQ

In order to be a winner in the fiercely competitive instant messaging market, ICQ must remain in the perpetual race of product renewal and minor version issuance every few months as well as major version launching every year. The new ICQ's business strategy focuses nowadays in producing local versions for different regions in the world, an effort that increases substantially the need of a smarter and faster R&D. For years ICQ hired a relatively large Quality Assurance (QA) department of around 12 people strong. This represented a fixed cost for the group, which did not even change

ICQ is a leading instant messaging service provider with a global online communications community. The company's robust instant messaging software, enhanced communications features and dynamic community are available in 19 languages free of charge at www.icq.com. ICQ, created in 1996 by the Israel-based company, Mirabilis, is now wholly owned by AOL LLC. ICQ and the flower logo are registered trademarks of AOL LLC in the USA and other countries in the world.

at times of decline in the testing activities. Therefore, a solution was required that would allow for flexibility and dynamism in QA.

"As a company situated at the technology front and expected to provide innovative products very frequently, we had to employ a relatively high number of brilliant QA people to cope with the peak requisite of launching new major versions of our product," explains ICQ CEO Orey Gilliam. "As a result, a fixed QA cost was created which would not change in relation to the activity volume. We looked for a solution that is flexible and dynamic on one

hand, and that would allow us to keep the high quality work done by the brilliant QA people we employed, on the other. The option of outsourcing testers and release them at decline times did not fit us because we would have lost people in which a great deal of time was invested for training and adaptation to our special way of working. We looked for an outsourcing solution based on a comprehensive responsibility for the whole QA subject, priced in proportion to the work volume, ensuring high testing quality and allowing us to keep all our people's jobs."

The Solution

ICQ decided in 2004 to transfer QA responsibilities as a whole to Ness Technologies' testing subsidiary V-Ness. In the framework of this solution, most of the employees were re-hired by Ness Technologies and a special area manager on behalf of Ness was jointly chosen by Ness and ICQ. Average costs of major and minor version tests assessed for the solution were used to establish a fixed QA price, while it is upon Ness to increase the workforce as needed to satisfy requirements at any given time.

"Ness did an outstanding job with the existing employees by succeeding to encourage most of them agree to be transferred to Ness and making them grasp the technological prospects they expect there." Gilliam says "As for today a group of Ness employees are thoroughly integrated among ICQ people so that an outside observer cannot distinguish between them. Ness brought a tremendous amount of experience in the field, proven methodologies and high quality human resources which allow us to perform comprehensive R&D actions with no QA bottlenecks through maximum economy of costs. The fact that Ness is the largest IT corporation in Israel and as such involved in hundreds of big R&D projects gave us assurances and the knowledge that we are related to a strong and dependable organization."

“We can move faster and tackle more projects while reducing time to market” ICQ CEO Orey Gilliam



The Benefits

As a result of transferring the whole QA responsibilities to V-Ness, a Ness Technologies' testing subsidiary, ICQ achieved the cost-cutting goals that were set forth on us and significantly reduced QA costs with a substantial increase of the testing quality.

“As a matter of fact, since we transferred the QA responsibilities to Ness Technologies, the process was upgraded and transformed into a comprehensive QA activity,” says Gilliam “Today the QA process starts as early as at the R&D phase of the product and accompanies it all along the development stages. In this way we cross the goal line with far less bugs and we largely improve our ability to be on schedule with each and every version.”

“Furthermore,” adds Gilliam “upon completion of a version launching project, when we enter into a calm period, there is no such thing as idling QA people that cost a fortune to the company without outputting any production at all. More than that, if in the past we had to frantically hire trained people before launching a new version into the market, now the issue is completely transparent from our point of view. Ness does that for us and cares to increase or reduce the workforce accordingly while complying with a very clearly defined SLA.”

“Ness people contributed with advanced and innovative working methods and a mastering of the most sophisticated testing tools in the market,” says Gilliam “all of which allows us as for today to cope simultaneously with multiple software versions launched at the same time in different places of the world.

The service we get is excellent by all means. We can dare to move faster and tackle more projects while reducing time to market. We have no doubt that the decision to transfer software QA responsibilities to Ness added to our ability to meet the business strategy set forth on us and let us launch a profusion of local products during 2006. As a result of this succeeding strategy, ICQ grew more than 30% over the last year. Ness is definitively a devoted partner to this achievement. The outsourcing model in the software QA field permitted ICQ to redirect many resources towards innovation, research and development. The results are evident at the growing profit line of ICQ from one year to another.”

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About Ness Technologies

Ness Technologies (NASDAQ: NSTC) is a global provider of end-to-end IT services and solutions designed to help clients improve competitiveness and efficiency. Ness specializes in outsourcing and offshore, systems integration and application development, software and consulting, and quality assurance and training. With 7,500 employees, Ness maintains operations in 16 countries, and partners with over 100 software and hardware vendors worldwide.